

CASE NO: 2008-00241

EAST DAVIESS COUNTY WATER ASSOCIATION, INC.
9210 STATE ROUTE 144
KNOTTSTVILLE, KY 42366
(270)281-5187

June 26, 2008

RECEIVED

JUN 30 2008

**PUBLIC SERVICE
COMMISSION**

Ms. Beth O'Donnell
Executive Director
KY Public Service Commission
PO Box 615
Frankfort, KY 40602

RE: Formal Application for a Purchased Water Adjustment

This is an application for a purchased water rate adjustment for the East Daviess County Water Association, Inc. The adjustment is necessary to recover an increase in the cost of water attributable to our supplier's new wholesale rates that became effective June 1, 2008. The Association is seeking to make this effective with the billing due by August 15, 2008.

The Association will publish the enclosed public notice of these requested rate revisions in the local newspaper. In accordance with PSC rules and regulation, the notice will be published before the new bills are issued and will be published one time. A copy of the newspaper notice will be forwarded to you upon publication.

Sincerely,



Edwin Payne, Manager

**PURCHASED WATER ADJUSTMENT FOR
WATER DISTRICTS AND ASSOCIATIONS
(807 KAR 5:068)**

Name of Utility	EAST DAVIESS COUNTY WATER ASSOCIATION	
Date	6/26/08	
Address	9210 STATE ROUTE 144	
City, State, Zip	KNOTTSVILLE, KY	42366
Telephone Number	270-281-5187	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
OWENSBORO	\$1.25	\$1.36

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit A

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	JUNE 2007	through	MAY 2008
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)		Gallons Purchased during 12 month period
OWENSBORO		315,964,000
TOTAL PURCHASES		315,964,000
4. Total sales for the 12 month period		274,731,214
5. Increased water cost		\$34,756
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.		
6. Purchased water adjustment factor		0.13
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.		
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</p>		
7. Proposed effective date		(LEAVE BLANK)
 Signature of Utility Officer		
 Title		

East Daviess

SUPPLIER	NEW RATE (per 1,000)	OLD RATE (per 1,000)
OMU	\$1.3600	\$1.2500

TWELVE MONTH TEST PERIOD:

SUPPLIER	GALLONS PURCHASED DURING TEST PERIOD
OMU	315,964,000
0	
0	
TOTAL	315,964,000

SUPPLIER	COST AT NEW RATE	COST AT OLD RATE	INCREASED WATER COST
OMU	\$429,711.04	\$394,955.00	
1	\$0.00	\$0.00	
2	\$0.00	\$0.00	
TOTAL	\$429,711.04	\$394,955.00	= \$34,756

TOTAL GALLONS SOLD FOR THE TEST PERIOD : 274,731,214

Increased Water Cost / (total gallons sold / 1,000) = Purchased Water Adjustment Factor

\$34,756.04	/	274,731,214	/1000	=	0.126509251
					ROUNDED
					0.13

	<u>Sold</u>	<u>Purchased</u>	<u>Sold</u>	<u>Purchased</u>
January	-		-	
February	-		-	
March	-		-	
April	-		-	
May	-		-	
June	-		-	
July	-		-	
August	-		-	
September	-		-	
October	-		-	
November	-		-	
December	-		-	
TOTAL	-		-	

NOTICE

Due to a rate increase from the City of Owensboro, notice is hereby given that East Daviess County Water Association has filed An Application for a Purchased Water Adjustment with the Kentucky Public Service Commission for the purpose of adjusting its water rates. Customer rates will increase by 13 cents per 1,000 gallons used. The proposed change will be effective for all bills issued on and after

5/8 x 3/4 Meter

First 2,000 Gallons	\$14.35 Minimum Bill
Next 4,000 Gallons	4.85 Per 1,000 Gallons
Next 44,000 Gallons	3.90 Per 1,000 Gallons
Over 50,000 Gallons	3.20 Per 1,000 Gallons

3/4 Meter

First 3,000 Gallons	\$19.20 Minimum Bill
Next 3,000 Gallons	4.85 Per 1,000 Gallons
Next 44,000 Gallons	3.90 Per 1,000 Gallons
Over 50,000 Gallons	3.20 Per 1,000 Gallons

1 Inch Meter

First 6,000 Gallons	\$33.75 Minimum Bill
Next 44,000 Gallons	3.90 Per 1,000 Gallons
Over 50,000 Gallons	3.20 Per 1,000 Gallons

1 1/2 Inch Meter

First 10,000 Gallons	\$49.35 Minimum Bill
Next 40,000 Gallons	3.90 Per 1,000 Gallons
Over 50,000 Gallons	3.20 Per 1,000 Gallons

2 Inch Meter

First 20,000 Gallons	\$88.35 Minimum Bill
Next 30,000 Gallons	3.90 Per 1,000 Gallons
Over 50,000 Gallons	3.20 Per 1,000 Gallons

Leak Adjustment Rate \$2.05 per 1,000 gallons

Wholesale Water Rate

Southeast Daviess Water District \$1.63 per 1,000 gallons

The monthly bill for a customer using an average of 5,000 gallons per month will increase \$0.65 from \$28.25 to \$28.90 or 2.3%.

The rates contained in this notice are the rates proposed by East Daviess Water Association. However, the Public Service Commission may order rates to be charged that differ from these proposed rates. Such action may result in rates for consumers other than the rates in this notice.

East Daviess Water Association has available for inspection at its office the application submitted to the Public Service Commission. The office is located at 9210 State Route 144, Knottsville, KY 42366.

East Daviess Water Association

FOR Daviess Co.
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

EAST DAVIESS COUNTY WATER ASSOCIATION
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES & CHARGES

Monthly Rates:

5/8" x 3/4 " Meter

First	2,000 gallons	\$14.35 Minimum Bill
Next	4,000 gallons	4.85 per 1,000 gallons
Next	44,000 gallons	3.90 per 1,000 gallons
Over	50,000 gallons	3.20 per 1,000 gallons

3/4 " Meter

First	3,000 gallons	\$19.20 Minimum Bill
Next	3,000 gallons	4.85 per 1,000 gallons
Next	44,000 gallons	3.90 per 1,000 gallons
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1 " Meter

First	6,000 gallons	\$33.75 Minimum Bill
Next	44,000 gallons	3.90 per 1,000 gallons
Over	50,000 gallons	3.20 per 1,000 gallons

1 1/2 " Meter

First	10,000 gallons	\$49.35 Minimum Bill
Next	40,000 gallons	3.90 per 1,000 gallons
Over	50,000 gallons	3.20 per 1,000 gallons

2 " Meter

First	20,000 gallons	\$88.35 Minimum Bill
Next	30,000 gallons	3.90 per 1,000 gallons
Over	50,000 gallons	3.20 per 1,000 gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY Edwin Payne
(Signature of Officer)

TITLE Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Daviess Co.
Community, Town or City

P.S.C. KY. NO. _____

SHEET NO. _____

EAST DAVIESS COUNTY WATER ASSOCIATION
(Name of Utility)

CANCELLING P.S.C. KY. NO.

SHEET NO. _____

RATES & CHARGES

LEAK ADJUSTMENT RATE:

\$2.05 per 1,000 gallons

WHOLESALE WATER RATE:

Southeast Daviess Water District

\$1.63 per 1,000 gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY Edwin Payne
(Signature of Officer)

TITLE Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____